

Opening Statement
Chairman Dan Burton
Subcommittee on the Western Hemisphere
Committee on International Relations
“U.S.-Canada Relations”
May 25, 2006

Today the Subcommittee on the Western Hemisphere meets to discuss relations between the United States and Canada. We have forged strong relations with our neighbor to the North and we are united by common ideals and shared interests. Today we will look at ways to foster even stronger ties.

Canada is our largest trading partner and accounted for nearly 20% of our total trade last year. Many states across our country have vital cross-investment linkages with Canada in a diverse array of sectors benefiting both countries. With regulatory convergence and harmonization I see tremendous opportunities to expand partnerships in areas like health, manufacturing and industry, higher education, science, and technology.

Members of Congress are pleased with the agreement to resolve the long-standing softwood lumber dispute between the U.S. and Canada. Hopefully, the administrations of both countries will take the lessons learned from this issue and apply them to current and future trade disputes like beef and wheat. Our Countries need to find better and faster ways to resolve our differences. There are areas of commercial exchange – whether pharmaceuticals, automotive manufacturing, agriculture and other sectors – that need to be harmonized to increase efficiency for both of our countries and to benefit consumers.

Our Subcommittee has focused on energy security, and I strongly believe that close cooperation with Canada will help bring the development and implementation of new technologies and conservation and diversification initiatives. Canada plays a critically important role in North American energy security. Canada is the leading foreign supplier of oil to the United States. Canada is also the leading supplier of natural gas to the United States. Canada is a dependable energy source and partner for the United States.

President Bush met with Prime Minister Stephen Harper of Canada and President Vicente Fox of Mexico two months ago to move ahead with the agenda for the Security and Prosperity Partnership (SPP) for North America. The SPP framework is ambitious and if its goals are realized, our countries will benefit from greater competitiveness and security. Our governments are constantly looking for ways to streamline border infrastructure to benefit our shared economic and security interests. Strong cooperation with Canada in the coming years will be essential. There is much debate over new measures, such as the Western Hemisphere Travel Initiative (WHTI) and its effect on U.S. and Canadian businesses and the status of the Security and Prosperity Partnership. We want to take a closer look at these initiatives to discuss their impacts on exchange and traffic at the border and whether these measures will help law enforcement better prevent trafficking, movements of terrorist and other activities that threaten our nations. WHTI was developed with the intentions of providing a safer and more secure border, and I do not question the purpose of the initiative. However, this pending requirement is having an adverse effect on U.S. and Canadian businesses, creating controversy on both sides of the border. The automotive industry is concerned with whether it can receive parts from manufacturers on time and the tourism industry is suffering from visitors confused with the regulations, and afraid of the cost of passports. This initiative is coming whether we like it or not, and with the welfare of the people in mind, we should help it come off as seamlessly as possible. Businesses are already being affected by the confusion surrounding this process and we owe it to them to get the process of transition right along realistic timetables for implementation. President George W. Bush stated on Monday that in no way should this process be perceived as saying Canada and or Mexico are enemies of the United States, but rather our friends and neighbors.

Canada is a steadfast partner in the Global War on Terrorism and we mourn the loss of Captain Nichola Goddard who was killed in the line of duty in Kandahar Afghanistan last week. We appreciate the role Canada plays in hemispheric and global peacekeeping and humanitarian operations, in Afghanistan, Haiti, Darfur, and other conflict areas. Canada has helped neighbors in our hemisphere, pledging \$180 million to the people of Haiti. Canada has emerged as a leader in international assistance and I hope the generosity will continue.

Recently, we learned that Canadian military forces will remain in Afghanistan, protecting the people there and here at home, until 2009. I applaud this decision by the Canadian government to stay in the fight against terrorists like the repressive Taliban. I commend the Canadian government for its leadership and also the people of Canada, for their willingness to stand with us, as we work together to build a war-torn country into a prosperous and stable democracy. I recently introduced a bill recognizing the Government of Canada for its renewed commitment to the Global War on Terror, and I urge my colleagues to join me as sponsors of this bill.

We can partner with Canada in a number of areas that will strengthen hemispheric security, optimize our counternarcotics programs, and promote democracy and prosperity. Recently, after some reforms were put in place, the United States rejoined the International Coffee Organization. I believe the ICO is a tool to help impoverished farmers improve their livelihoods and break away from their reliance growing illicit crops like coca that is processed into cocaine, ending up on the streets of the United States and Canada. I urge the government of Canada to reconsider joining this organization.

A member of my staff deserves recognition for his important contributions to the US-CANADA Interparliamentary Group which met down in Charleston South Carolina this month. **Brian Wanko** did some heavy lifting on that recent IPG, and on the preparations for our hearing today. Thank you Brian.

I now recognize the distinguished ranking member from New York, Eliot Engel, for any statement he may wish to make.